

## Message Text

CONFIDENTIAL

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17

ORIGIN SS-30

INFO OCT-01 ISO-00 /031 R

66619

DRAFTED BY OPIC:GC:PRGILBERT

EB/IFD:OIA:MKENNEDY

EB/IFD:OIA:WHCOURTNEY

ARA/LA:HSHLAUDEMAN

L/ARA:MR GANTZ

S/S-O:KAKURZE

EB/IFD:OIA:TRBRODERICK

OAISA/TREASURY:RLARSEN(INFO)

----- 096621

R 202221Z MAY 74

FM SECSTATE WASHDC

TO AMEMBASSY SANTIAGO

C O N F I D E N T I A L STATE 105262

EXDIS

E.O. 11652:GDS

TAGS: EIND,CI

SUBJECT: ITT

1. OPIC UNDERSTANDS THAT THE FOLLOWING AGREEMENT DATED MAY 15, 1974 WILL BE INITIALED BY RAUL SAEZ ON BEHALF OF GOB AND JOHN W. GUILFOYLE ON BEHALF OF ITT:

QUOTE. THE FOLLOWING WILL BRIEFLY OUTLINE THE BROAD AND INFORMAL DISCUSSIONS THAT WERE HELD BETWEEN THE UNDERSIGNED ON MAY 14 AND 15:

1. BOTH PARTIES REPRESENTING THEIR RESPECTIVE POINTS OF VIEW AGREE THAT IT IS IN THE MUTUAL BEST INTEREST TO BEGIN FORMAL DISCUSSIONS BETWEEN REPRESENTATIVES OF ITT AND REPRESENTATIVES OF THE GOVERNMENT OF CHILE TOWARDS ARRIVING AT A FAIR AND REASONABLE SOLUTION WITH RESPECT TO THE MATTER OF THE CHILEAN TELEPHONE COMPANY.

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2. WE HAVE MUTUALLY AGREED TO USE THE DATE OF DEPTEMBER 30, 1971 TO BUILD UP THE BASIC FIGURES TO DETERMINE THE COMPENSATION REPRESENTING SUCH A SOLUTION. A COMMITTEE OF FINANCIAL EXPERTS WILL BE FORMED BY THE GOVERNMENT, WITH PARTICIPANTS APPOINTED BY ITT, TO DEVELOP THESE BASIC FIGURES.

3. IT IS UNDERSTOOD THAT TERMS OF PAYMENT WILL BE NEGOTIATED AT A FUTURE DATE BY THE PARTIES CONSISTENT WITH PRESENT AND FUTURE UNDERSTANDINGS.

4. AS PART OF AN OVERALL COMPLETE AGREEMENT IT IS EXPECTED THAT ITT WOULD AGREE TO MAKE REASONABLE REINVESTMENT IN CHILE IN FIELDS TO BE DETERMINED AFTER MUTUAL CONSULTATION.

IT IS ANTICIPATED THAT UPON APPROVAL OF THE PRINCIPALS FORMAL DISCUSSIONS WILL BE SCHEDULED WITH THE NEAR FUTURE. UNQUOTE.

2. OPIC HAS NOT BEEN IN CONTACT WITH ITT YET CONCERNING THIS MATTER. WILL ADVISE AS SOON AS WE CAN CONFIRM THAT AGREEMENT HAS BEEN INITIALED. RUSH

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NNN

## Message Attributes

**Automatic Decaptioning:** Z  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** AGREEMENTS, PUBLIC UTILITIES, MEETINGS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 20 MAY 1974  
**Decaption Date:** 28 MAY 2004  
**Decaption Note:** 25 YEAR REVIEW  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** GarlanWA  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1974STATE105262  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** GC:PRGILBERT  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
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**Previous Handling Restrictions:** EXDIS  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** GarlanWA  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 18 SEP 2002  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <18 SEP 2002 by kelleyw0>; APPROVED <26 FEB 2003 by GarlanWA>  
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30 JUN 2005

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**Review Withdrawn Fields:** n/a  
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**To:** SANTIAGO  
**Type:** TE  
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